

**38<sup>th</sup> MEETING**  
**OF THE**  
**MARYLAND HEALTH CARE COMMISSION**

**Thursday, October 17, 2002**  
**Minutes**

Chairman Wilson called the meeting to order at 1:01 p.m.

Commissioners present: Alcoreza, Beasley, Crofoot, Etheredge, Ginsburg, Jensen, Malouf, and Murray

**ITEM 1.**

**Approval of Minutes**

Commissioner Lynn Etheredge made a motion to approve the Minutes of the September meeting of the Commission, which was seconded by Commissioner Evelyn Beasley, and unanimously approved.

**ITEM 2.**

**Update on Commission Activities**

- Data Systems and Analysis
- Health Resources
- Performance and Benefits

Ben Steffen, Deputy Director of Data Systems and Analysis, announced the release of the Long Term Care Survey on October 21, 2002. For the remainder of the activities of his division, Mr. Steffen referred the Commissioners to the Data Systems and Analysis section of the *Update of Activities*.

Pamela Barclay, Deputy Director of Health Resources, announced the extension of the informal comment period for the revised State Health Plan chapter on acute inpatient services, COMAR 10.24.10 to November 18, 2002. For further information regarding the activities of her division, she referred the Commissioners to the Health Resources section of the *Update of Activities*.

Enrique Martinez-Vidal, Deputy Director of Performance and Benefits, announced that the Commission had been invited to participate in a CMS pilot project for hospital report cards. It was the consensus of the Commissioners that MHCC should participate in the project. He referred the Commissioners to the Performance and Benefits section of the *Update of Activities* for further information on the status of his division's projects. Copies of the *Update* were available on the documents table and on the Commission's website at: <http://www.mhcc.state.md.us/mhccinfo/cmsnmtgs/updates/>.

**ITEM 3.**

**ACTION: CERTIFICATE OF NEED** — Americare in-Home Nursing Home Health Agency, Application to Establish an Administrative Unit Eligible to Apply for a Maryland-Based Medicare Provider Number, Docket No. 02-16-2107

Chairman Wilson said that the next agenda item was consideration of an application from Americare in-Home Nursing Home Health Agency. This was the last of five CON reviews that were necessitated by a change in administrative policy in DHMH to require home health agencies to establish an administrative unit in Maryland to obtain a Maryland Medicare Provider number. Susan Panek, Chief of Certificate of Need, said that staff had reviewed the application and recommended that the Commission approve the application. Commissioner Dennis Murray made a motion to approve the Certificate of Need, which was seconded by Commissioner Lenys Alcoreza, and unanimously approved.

**ACTION: CERTIFICATE OF NEED — Americare in-Home Nursing Home Health Agency, Application to Establish an Administrative Unit Eligible to Apply for a Maryland-Based Medicare Provider Number, Docket No. 02-16-2107, is hereby APPROVED.**

#### **ITEM 4.**

**FINAL ACTION:** Comprehensive Standard Health Benefit Plan (CSHBP) — Decisions on Proposed Changes to the Plan — Effective July 1, 2003

Chairman Wilson said that Enrique Martinez-Vidal briefed Commissioners on the Mercer projections for premium increases in the small group market and recommendations from staff on changes to the standard plan at the September meeting. On October 9<sup>th</sup>, Commissioner Beasley chaired the public hearing on proposed changes that was also attended by Commissioners Crofoot and Etheredge.

Commissioner Marc E. Zanger participated via telephone. Mr. Martinez-Vidal provided a summary of the testimony given at the public hearing and presented staff recommendations. The first item considered was consideration of coverage for Residential Crisis Services. Commissioner Ernest Crofoot made a motion to include coverage in the CSHBP, which was seconded by Commissioner Beasley, and unanimously approved by the Commissioners. Mr. Martinez-Vidal said that staff recommended no change to the plan regarding a proposal to expand coverage for In-Vitro fertilization procedures. Commissioner Murray made a motion that the Commission take no action, which was seconded by Commissioner Alcoreza, and unanimously approved. Staff recommended that the Commission take no action with regard to coverage for vaccinations against Meningococcal disease. Commissioner Murray made a motion that the Commission take no action, which was seconded by Commissioner Larry Ginsburg, and unanimously approved. Staff recommended that the Commission take no action on a proposal to including coverage for standing referrals to a specialist. Commissioner Murray made a motion that the Commission take no action, which was seconded by Commissioner Beasley. The motion passed with Commissioners Alcoreza, Beasley, Etheredge, Ginsburg, Jensen, Malouf, Murray, and Zanger voting in favor of the motion and Commissioner Crofoot voting against it. Staff recommended that the Commission take no action regarding coverage for the treatment of morbid obesity. Vice Chairman Malouf made a motion that the Commission take no action, which was seconded by Commissioner Zanger. The motion passed with Commissioners Alcoreza, Beasley, Etheredge, Ginsburg, Jensen, Malouf, Murray, and Zanger voting in favor of the motion and Commissioner Crofoot voting against it. Commissioner Etheredge suggested that the matter be sent to the AHRQ evidence-based study group for review and recommendation. Staff recommended that the Commission take no action regarding a proposal to reduce existing deductibles in the CSHBP. Commissioner Murray made a motion that the Commission take no action, which was seconded by Commissioner Beasley, and unanimously approved. Staff recommended that the Commission take no action regarding adding a \$4,000 cap to the prescription drug benefit, changing the deductible, or a combination of adding the prescription drug benefit cap and a change to the deductible. Commissioner Murray made a motion that the Commission take no action, which was seconded by Commissioner Beasley, and unanimously approved. Mr. Martinez-Vidal said that other issues raised at the public hearing included a proposal to lower the premium cap from 12% to 10%; to increase the

loss ratio, and to add a defined contribution delivery system. Each of the issues would require legislative change.

#### **ITEM 5.**

##### **PRESENTATION: *EDI Progress Report***

Chairman Wilson said that the next agenda item was a report concerning progress in certifying electronic data systems networks in 2001. Dr. David Sharp, Chief, EDI Programs and Payer Information Systems, Presented a summary of the 2002 EDI—HIPAA progress report. Some of the conclusions set forth in this year's report included: that all HMOs reported accepting some claims electronically; non-HMOs had a greater share of electronic claims; private payers electronic claims share improved but lags behind government payers; and most claims received electronically by payers are processed manually. Chairman Wilson thanked Dr. Sharp for his report.

#### **ITEM 6.**

##### **Hearing and Meeting Schedule**

Chairman Wilson announced that Commissioner John A. Picciotto had resigned from the Commission. He also announced that the next scheduled meeting of the Maryland Health Care Commission will be on Tuesday, November 26, 2002 at 4160 Patterson Avenue, Room 100, in Baltimore, Maryland at 1:00 p.m. The Hearing and Meetings Schedule was available at the documents table as well as on the Commission's website.

#### **ITEM 7.**

##### **Adjournment**

There being no further business, the meeting was adjourned at 2:14p.m. upon motion of Vice Chairman Malouf, which was seconded by Commissioner Ginsburg, and unanimously approved by the Commissioners.